



4004

ANNUAL REPORT

OF

Name: FARMERS INDEPENDENT TELEPHONE COMPANY

Principal Office: 139 W MADISON AVE
P.O. BOX 447
GRANTSBURG, WI 54840-0447

For the Year Ended: DECEMBER 31, 1999

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: FARMERS INDEPENDENT TELEPHONE COMPANY
Utility Location: 139 W MADISON AVE
P.O. BOX 447
GRANTSBURG, WI 54840-0447

Utility Web Site Address:

When was utility organized?: 07/15/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: DANA OLSON
Title: MANAGER

Office Address: 139 WEST MADISON AVENUE
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Individual or firm, if other than utility employee, preparing this report

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Firm: KIESLING ASSOCIATES LLP
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Title: MANAGER

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GRANTSBURG, WI 54840

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Telephone Number: (715) 463 - 5322
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IDENTIFICATION AND OWNERSHIP

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:	GRANTSBURG TELECOM INC.
Form of Interest:	STOCK
Extent Of Interest:	100%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,994,028	1,888,443	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	196,757	183,782	2
Plant Nonspecific Operations Expense	378,622	373,144	3
Customer Operations Expense (6610-6620)	223,276	212,259	4
Corporate Operations Expense (6710-6790)	213,133	192,942	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	450,731	426,155	7
Total Operating Expenses	1,462,519	1,388,282	8
Net Operating Income	531,509	500,161	9
Other Income			
Nonoperating Income and Expense (7300)	278,797	223,746	10
Nonoperating Taxes (7400)	108,105	88,507	11
Interest and Related Items (7500)	3,161	3,963	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	15,540	(4,266)	14
Total Nonoperating Income	183,071	127,010	15
Net Income	714,580	627,171	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the ITC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

As of December 31, 1999, the maximum amount which could be distributed was \$2,699,131.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	1,656,571	1,520,808	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	1,656,571	1,520,808	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	104,899	109,563	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	104,899	109,563	
Other Accounts Receivable (1190)*	160,852	250,887	8
Accounts Receivable Allowance--Other (1191)*	0		9
Net: Other Accounts Receivable	160,852	250,887	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	8,902	10,132	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	274,653	370,582	
SUPPLIES			
Inventories (1220)*	62,838	25,542	13
TOTAL SUPPLIES	62,838	25,542	
PREPAYMENTS			
Total Prepayments (1280)*	7,907	7,909	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	7,907	7,909	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	26,198	33,449	20
TOTAL OTHER CURRENT ASSETS	26,198	33,449	
TOTAL CURRENT ASSETS	2,028,167	1,958,290	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	549,826	549,826	21
RTB Class B Stock (1402)*	0	0	22
Other Investments in Nonaffiliated Companies (1402)*	477,061	469,216	23
Nonregulated Investments (1406)*	5,157	6,695	24
Unamortized Debt Issuance Expense (1407)*	0	0	25
Sinking Funds (1408)*	0	0	26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	0	0	27
TOTAL INVESTMENTS	1,032,044	1,025,737	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*	0	0	29
Deferred Charges (1439)*	4,570	13,709	30
TOTAL DEFERRED CHARGES	4,570	13,709	
TOTAL NONCURRENT ASSETS	1,036,614	1,039,446	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	5,441,316	5,056,818	31
Less: Accumulated Depreciation (3100)*	3,521,150	3,210,970	32
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	34
Less: Accumulated Amortization--Intangible (3500)*	0	0	35
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,920,166	1,845,848	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	38
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	0	0	40
TOTAL TPUC	0	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	41
Less: Accumulated Amortization--Other (3600)*		0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,920,166	1,845,848	
TOTAL ASSETS AND OTHER DEBITS	4,984,947	4,843,584	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	124,520	154,188	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	(600)	3
Customer Deposits (4040)*	5,230	5,080	4
Current Maturities--Long-Term Debt (4050)*	0	32,100	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	93,690	145,538	7
Other Taxes--Accrued (4080)*	(14,494)	(15,703)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	325,842	290,336	11
Other Current Liabilities (4130)*		0	12
TOTAL CURRENT LIABILITIES	534,788	610,939	
LONG-TERM DEBT			
Funded Debt (4210)*	0	149,476	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT	0	149,476	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	45,275	54,977	20
Unamortized Operating ITC--Net (4320)*	3,730	6,730	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	143,236	162,708	23
Net Deferred Tax Liability Adjustments (4341)*	(7,489)	(10,418)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(101,777)	(75,413)	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	15,367	19,837	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	98,342	158,421	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,660,320	1,660,320	28
Additional Paid-in Capital (4520)*	1,775	1,775	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	(9,409)	2,258	31
Retained Earnings (4550)*	2,699,131	2,260,395	32
TOTAL STOCKHOLDERS' EQUITY	4,351,817	3,924,748	
TOTAL LIABILITIES AND OTHER CREDITS	4,984,947	4,843,584	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

During 1999, the Company adopted the AICPA, Accounting Standard Executive Committee, Statement of Position 98-1.

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Grantsburg Telecom, Inc.	GRNTBRG	1
Rural Service Area #1 Partnership	RSA#1	2

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

NONE

Particulars (a)	(b)	(c)	(d)	(e)
Docket				
Name of Affiliate				1
Designate whether billed to or from:				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)				3
Total Dollar Activity				4
Percent of affiliate's business billed to all affiliated regulated utilities				5
If cost based, rate of return on equity or markup incorporated in billings				6
Footnotes				

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	7,799		1
Motor Vehicles	2112	102,393	21,648	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	116,482	64,890	6
Buildings	2121	210,277	3,652	7
Furniture	2122	22,178	634	8
Office Equipment	2123	21,259	6,096	9
General Purpose Computers	2124	36,249	20,796	10
TOTAL--GENERAL SUPPORT ASSETS:		516,637	117,716	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,301,071	58,883	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	462,344	113,490	16
TOTAL--CENTRAL OFFICE ASSETS:		1,763,415	172,373	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	20,858		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		20,858	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	8,101		22
Aerial Cable	2421	7,338	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	2,735,993	165,248	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	4,476		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		2,755,908	165,248	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			7,799	1
2112	19,527		104,514	2
2113			0	3
2114			0	4
2115			0	5
2116	46,514		134,858	6
2121			213,929	7
2122			22,812	8
2123	0	0	27,355	9
2124			57,045	10
	66,041	0	568,312	
2211			0	11
2212	0	0	1,359,954	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	575,834	16
	0	0	1,935,788	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			20,858	21
	0	0	20,858	
2411			8,101	22
2421	0	0	7,338	23
2422	0	0	0	24
2423	4,798	0	2,896,443	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			4,476	29
2441			0	30
	4,798	0	2,916,358	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	5,056,818	455,337
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	70,839	0	5,441,316	
2001			0	34
			5,441,316	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	18,677	6,096	1
Company Communications Equipment	2123.2	2,582		2
Software	2212.1	132,104		3
Digital Switching - Central Office	2212.2	1,145,953	58,883	4
Digital Switching - Remote	2212.3	23,014		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	462,344	113,490	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	7,338		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	212,136	11,276	17
Buried Cable - Metallic	2423.2	2,523,857	153,972	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			24,773	1
2123.2			2,582	2
2212.1			132,104	3
2212.2			1,204,836	4
2212.3			23,014	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			575,834	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			7,338	14
2422.1			0	15
2422.2			0	16
2423.1			223,412	17
2423.2	4,798		2,673,031	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	48,824		10,140		1A
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	65,266	9.0	6,847		5B
Buildings	2121	149,290	3.13	6,624		6
Furniture	2122	20,227	7.69	1,748		7
Office Equipment	2123	10,659	14.0	2,490		8B
General Purpose Computers	2124	16,680	16.67	6,542		9
Total-- GENERAL SUPPORT ASSETS		310,946		34,391		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	972,021	10.0	148,541		11
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	337,424	8.33	38,541		15B
Total-- CENTRAL OFFICE ASSETS		1,309,445		187,082		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	0				19
Other Terminal Equipment	2362	4,470	14.29	2,981		20
Total-- INFORMATION ORIG/TERM ASSETS		4,470		2,981		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	8,101	5.21			21
Aerial Cable	2421	7,338	4.76			22
Underground Cable	2422	0				23
Buried Cable	2423	1,566,224	4.76	132,540		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	4,446	6.94	30		28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		1,586,109		132,570	0
Total Accumulated Depreciation	3100	3,210,970		357,024	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	19,527		8,995		48,432	1 A
2113					0	2
2114					0	3
2115					0	4
2116	46,514		15,000		40,599	5 B
2121					155,914	6
2122					21,975	7
2123	0				13,149	8 B
2124					23,222	9
	66,041	0	23,995	0	303,291	
2211					0	10
2212	0				1,120,562	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				375,965	15 B
	0	0	0	0	1,496,527	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					7,451	20
	0	0	0	0	7,451	
2411					8,101	21
2421	0				7,338	22
2422	0				0	23
2423	4,798				1,693,966	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					4,476	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	4,798	0	0	0	1,713,881	
3100	70,839	0	23,995	0	3,521,150	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	9,190	7.69	1,974	1
Company Communications Equipment	2123.2	1,469	20.0	516	2
Software	2212.1	132,104	25.0		3
Digital Switching - Central Office	2212.2	816,903	12.0	148,541	4
Digital Switching - Remote	2212.3	23,014	9.09		5
Step by Step Switching	2215.1				6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	337,424	8.33	38,541	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	7,338	4.76		14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	24,226	4.76	10,424	17
Buried Cable - Metallic	2423.2	1,541,998	4.76	122,116	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					11,164	1
2123.2					1,985	2
2212.1					132,104	3
2212.2					965,444	4
2212.3					23,014	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					375,965	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					7,338	14
2422.1					0	15
2422.2					0	16
2423.1					34,650	17
2423.2	4,798				1,659,316	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	2,260,395	1,882,272	1
Changes:			
Balance Transferred from Income	720,990	627,171	2
Dividends Declared:			
Common	282,254	249,048	3
Preferred	0	0	4
Total Dividends Declared	282,254	249,048	
Miscellaneous Debits to Retained Earnings	0	0	5
Miscellaneous Credits to Retained Earnings	0	0	6
Balance--End of Year	<u>2,699,131</u>	<u>2,260,395</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	514,500	495,149	1 E
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	514,500	495,149	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	140,053	134,112	11 E
Switched Access Revenue (5082)*	725,058	704,735	12 E
Special Access Revenue (5083)*	7,561	8,860	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	872,672	847,707	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0		14
Switched Access Revenue (5084.2)*	409,718	361,218	15 E
Special Access Revenue (5084.3)*	12,223	10,543	16 E
TOTAL INTRASTATE ACCESS REVENUES (5084)	421,941	371,761	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	9,702	9,702	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	9,702	9,702	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	93,584	88,705	30 E
Rent Revenue (5240)*	0		31
Corporate Operations Revenue (5250)*	0		32
Miscellaneous:			
Miscellaneous Revenue (5260)*	17,697	14,902	33 E
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	17,697	14,902	
Interstate Billing and Collection Revenue*	41,007	41,154	39 E
Intrastate Billing and Collection Revenue*	22,936	28,336	40 E
Total Carrier Billing and Collection Revenue (5270)*	63,943	69,490	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	175,224	173,097	
GROSS OPERATING REVENUES	1,994,039	1,897,416	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	11	8,973	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	11	8,973	
TOTAL OPERATING REVENUES	1,994,028	1,888,443	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	1,764	(133)	1
Less: Nonregulated	0	0	2
Net Regulated	1,764	(133)	3
Total General Support Expense (6120)	25,339	16,672	4
Less: Nonregulated	0	0	5 E
Net Regulated	25,339	16,672	6
Total Central Office Switching Expense (6210)	97,357	97,462	7
Less: Nonregulated	0	0	8 E
Net Regulated	97,357	97,462	9
Total Operator Systems Expense (6220)	0	0	10
Less: Nonregulated	0	0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	6,029	2,867	13
Less: Nonregulated	0	0	14
Net Regulated	6,029	2,867	15
Total Information Orig. / Term. Expense (6310)	0	0	16
Less: Nonregulated	0	0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	66,268	66,914	19
Less: Nonregulated	0	0	20 E
Net Regulated	66,268	66,914	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	196,757	183,782	
Less: Nonregulated	0	0	
Net Regulated	196,757	183,782	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	0	0	22
Less: Nonregulated	0	0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	11,229	9,963	25
Less: Nonregulated	0	0	26
Net Regulated	11,229	9,963	27
Access Expense (6540)	6,808	2,106	28
Less: Nonregulated	0	0	29
Net Regulated	6,808	2,106	30
Total Depreciation and Amortization Expense (6560)	357,380	362,975	31
Less: Nonregulated	3,205	1,900	32
Net Regulated	354,175	361,075	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	375,417	375,044	
Less: Nonregulated	3,205	1,900	
Net Regulated	372,212	373,144	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	0	316	34
Less: Nonregulated	0	0	35
Net Regulated	0	316	36
Total Services (6620)	223,276	211,943	37
Less: Nonregulated	0	0	38 E
Net Regulated	223,276	211,943	39
TOTAL CUSTOMER OPERATIONS EXPENSE	223,276	212,259	
Less: Nonregulated	0	0	
Net Regulated	223,276	212,259	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	98,726	91,874	40
Less: Nonregulated	0	0	41 E
Net Regulated	98,726	91,874	42
Total General and Administrative (6720)	114,407	101,068	43
Less: Nonregulated	0	0	44 E
Net Regulated	114,407	101,068	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	213,133	192,942	
Less: Nonregulated	0	0	
Net Regulated	213,133	192,942	
TOTAL EXPENSES	1,008,583	964,027	
Less: Nonregulated	3,205	1,900	
Net Regulated	1,005,378	962,127	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)	0	0	1
Provisioning Expense (6512)	0	0	2
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	357,380	362,975	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0	4
Amortization Expense--Tangible (6563)	0	0	5
Amortization Expense--Intangible (6564)	0	0	6
Amortization Expense--Other (6565)	0	0	7
Total: Reported in Account 6560	357,380	362,975	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,994,039	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,994,039</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	514,500	1
Plus: Total Intrastate Access Revenues (5084)	421,941	2
Plus: Total Long Distance Network Services Revenue	9,702	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>946,143</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,994,039	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes		<u>1,994,039</u>

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	514,500	1
Plus: Total Intrastate Access Revenues (5084)	421,941	2
Plus: Total Long Distance Network Services Revenue	9,702	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
Assessable Revenues for Universal Service Fund Assessment Purposes		<u>946,143</u>

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	0	0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(3,000)	(5,000)	2
Operating Federal Income Taxes (7220)	283,244	290,348	3
Operating State and Local Income Taxes (7230)	67,281	71,093	4
Operating Other Taxes (7240)	116,968	111,037	5
Provision for Deferred Operating Income Taxes--Net (7250)	(13,762)	(41,323)	6
TOTAL OPERATING TAXES (7200)	450,731	426,155	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	22,733	20,322	7
Interest Income (7320)	85,757	77,866	8
Income from Sinking and Other Funds (7330)	0		9
Allowance for Funds Used During Construction (7340)	0		10
Gains or (Losses) from the Disposition of Certain Property (7350)	0		11
Other Nonoperating Income (7360)	177,274	126,624	12
Special Charges (7370)	6,967	1,066	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	278,797	223,746	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	108,105	88,507	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	3,161	3,963	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	15,540	(4,266)	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
Leasing of customer premise equipment	1
Leasing of inside wiring	2
Leasing of pagers	3
Provider of internet service	4

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	0	0	1 c
Extended Area Service	0	0	2 c
Extended Community Calling	0	0	3
Other Local-Undefined	0	0	4 c
Total Local	0	0	
TOLL			
Toll	109	1,301	5
Total Toll	109	1,301	
Total Local & Toll	109	1,301	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	81	1	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	782	1	5
Feature Group C -- Term.	0	0	810	1	6
Feature Group D -- Orig.	4,129	599	757	0	7
Feature Group D -- Term.	5,385	2,675	391	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	31	1
Strand miles of plant - fiber optics	650	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	3	1	1
56 kbps	2	3	2
64 kbps (DS0)	0	0	3 F
1.54 Mbps (DS-1)	3	0	4 F
45 Mbps (DS-3)	0	0	5 F
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	31	1
Strand miles of plant - fiber optics	650	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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56 kbps	2	3	2
64 kbps (DS0)	0	0	3 F
1.54 Mbps (DS-1)	3	0	4 F
45 Mbps (DS-3)	0	0	5 F
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	340	352	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	9	10	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	194	205	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	5	4	12
Pay Telephone	0	0	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	6	11	15
Pay Stations - Public	5		16
- Semi-Public	1		17
- Cust. Owned	6		18
Other			19
Total Business Lines	566	582	20
Residential (Incl. Emp. Concess.)			
1 Party	2,414	2,491	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	2,414	2,491	27
Total Bus & Res Lines	2,980	3,073	28
Company Used Lines	36	36	29
Total Lines Used	3,016	3,109	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS			3
WATS Lines - 800 Service			4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	4	4	7
Special Access-interLATA			8
(expressed in equiv. access lines)	58	77	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks			13
TSPS - Trunks	8	8	14
EAS - Trunks			15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	4,540,181	4,873,004	25
Total Company Square Miles	260	260	26
Total Company Route Miles	612	620	27
Footnotes		D	28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1860	2140	5380		1
Business					2
1 Party	38	278	36		3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		10			6
Centrex Trunks	---CONF---	---CONF---	---CONF---		7
Centrex Lines					8
Key System Trunks	28	174	3		9
Mobile (utility provided service)	0				10
Paging (utility provided service)	0				11
FX-Out (Switched)	2	0	2		12
Pay Telephone	0	0			13
Coin-Operated Pay Telephone	0				14
Independent Pay Telephone Provider	2	9			15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	70	471	41	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	654	1,330	507		22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	654	1,330	507	0	27
Total Bus & Res Lines	724	1,801	548	0	28
Company Used Lines	8	21	7		29
Total Lines Used	732	1,822	555	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1860	2140	5380		1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)		4			7
Special Access-interLATA					8
(equiv. access lines)		77			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks					13
TSPS - Trunks		8			14
EAS - Trunks					15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,147,327	2,855,778	869,899		27
Exchange Square Miles	36	100	124		28
Exchange Route Miles	129	304	187		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	FALUN	GRANTSBURG	TRADE LAKE		1
PSCW Exchange ID	1860	2140	5380		2
Central Office Name	FALUM	GRANTSBURG	TRADE LAKE		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	SC	SC	SC		5
Year COE Installed	1986	1986	1986		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	R	H	R		8
Remote Host PSCW Exchange ID	2140		2140		9
Remote Host PSCW Central Office ID	1	0	1		10
COE Generic Software Release No.	19	19	19		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	732	1,822	555		14
- Equipped	810	2,450	630		15
- Wired	810	2,450	630		16
Trunks - In Use	0	92	0		17
- Equipped	0	92	0		18
- Wired	0	92	0		19
ISDN Available?	No	No	No		20
ISDN Lines - In Use (BRI)	0	0	0		21
- In Use (PRI)	0	0	0		22
Switched 56 Service?	No	No	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	0	0	0		25
DS-3 - In Use	0	0	0		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0	0		32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	48	84	48		33
No. of fiber strands working (LIT) in C.O.	8	20	10		34
No. of fiber strands for interoffice use	0	0	0		35
Miles of fiber sheath in wire center	6	12	13		36
Access Tandem Serving this C.O.:					
- C.O. Name	FREDERIC	FREDERIC	FREDERIC		37
- PSCW C.O. ID	1960-01	1960-01	1960-01		38
Does this C.O. do access tandem switching?	No	No	No		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	No	No	No		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Accountants Compilation Report

To the Board of Directors
Farmers Independent Telephone Company
Grantsburg, Wisconsin

We have compiled the balance sheets of Farmers Independent Telephone Company as of December 31, 1999 and 1998, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 47 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 47 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
March 28, 2000

Schedule Footnotes

Schedule Line Footnotes

- A) Vehicles are depreciated on a per unit basis.
- B) Different depreciation rates are used for accounts and sub-class accounts.
- C) Local telephone calls and minutes of use data are not available for lines 1,2, and 4 of page 47. Farmers Independent Telephone Company is a flat rate company and the cost incurred for the necessary software and record keeping for usage sensitive recording would not be practical for information that will not be used elsewhere.
- D) 1998 paystations should have been classified on line 15. Adjustment was made for 1999 paystations.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

E) Variance is within 20% and \$10,000 range. Error in edit check results.

F) Ending record of -0- is correctly reported.